

AMENDED IN SENATE JULY 2, 1999  
AMENDED IN ASSEMBLY APRIL 28, 1999  
AMENDED IN ASSEMBLY MARCH 25, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

**ASSEMBLY BILL**

**No. 285**

**Introduced by Assembly Member Corbett**

February 4, 1999

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An act to add *Article 25 (commencing with Section 2525) to Chapter 5 of Division 2 of the Business and Professions Code, to add Section 1348.8 to the Health and Safety Code, and to add Section 10279 to the Insurance Code, relating to ~~health care service plans~~ health care services.*

LEGISLATIVE COUNSEL'S DIGEST

AB 285, as amended, Corbett. Health care coverage: *Medical advice services.*

Under existing law, the Knox-Keene Health Care Service Plan Act of 1975, health care service plans are regulated by the Department of Corporations. Under existing law, the willful violation of these provisions is a crime. Existing law also provides for the regulation of insurers by the Department of Insurance.

This bill would require every health care service plan, and every disability insurer that provides coverage for hospital, medical, and surgical expenses, that provide telephone medical advice services to require that the staff employed to provide the medical advice services *from a site located in*

*California hold a valid license under certain provisions of the Business and Professions Code regulating the healing arts and be supervised by a physician and surgeon licensed under the Medical Practice Act as a registered nurse or be a physician and surgeon licensed to practice medicine in this state. The bill would require that a physician and surgeon be available to the telephone medical advice service on an on-call basis at all times.*

*The bill would prohibit a health care service plan and certain disability insurers from operating or contracting with a nonresident telephone medical advice service to operate a nonresident telephone medical advice service that is not registered as provided under the bill.*

*Existing law, the Medical Practice Act, provides for the certification and regulation of physicians and surgeons by the Medical Board of California.*

*This bill would provide for the registration of nonresident telephone medical advice services with the board and would authorize the board to set fees for this purpose. The bill would prohibit, on and after January 1, 2000, a person located outside California from providing telephone medical advice services to a patient at a California address unless the person is registered with the board.*

*Because this bill would change the requirements of health care service plans, this bill would change the definition of a crime, thereby imposing a state-mandated local program.*

*The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that no reimbursement is required by this act for a specified reason.*

*Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.*

*The people of the State of California do enact as follows:*

1 SECTION 1. Article 25 (commencing with Section  
2 2525) is added to Chapter 5 of Division 2 of the Business  
3 and Professions Code, to read:  
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Article 25. *Nonresident Telephone Medical Advice  
Services*

2525. (a) *On and after January 1, 2000, no business shall provide telephone medical advice services to a patient at a California address unless the business is registered with the Medical Board of California.*

(b) *Any business entity required to be registered under subdivision (a) that submits proof of accreditation by the American Accreditation Healthcare Commission URAC, the National Committee for Quality Assurance, the National Quality Health Council, or the Joint Commission on Accreditation of Healthcare Organizations shall be deemed provisionally registered by the board until the earlier of the following:*

*(1) December 31, 2000.*

*(2) The granting or denial of an application for registration pursuant to subdivision (a).*

2525.1. *Application for registration as a nonresident telephone medical advice service shall be made on forms prescribed by the board, accompanied by the fee prescribed by this article, and shall contain all of the following:*

(a) *The signature of the individual owner of a nonresident telephone medical advice service, or of all of the partners if the service is a partnership, or of the president or secretary if the service is a corporation.*

(b) *The name under which the person applying for the nonresident telephone advice service proposes to do business.*

(c) *The location of the business.*

(d) *The designation of an agent for service of process in California.*

2525.3. (a) *In order to obtain and maintain registration, a nonresident telephone medical advice service shall comply with requirements established by the board. Those requirements shall include, but shall not be limited to, all of the following:*

1     (1) *Employing either a registered nurse or physician*  
2     *and surgeon who is licensed and in good standing to*  
3     *provide telephone medical advice services.*

4     (2) *Complying with all directions and requests for*  
5     *information made by the board as authorized under this*  
6     *article.*

7     (3) *Maintaining records of advice services provided to*  
8     *patients in California for a period of at least five years.*

9     (b) *The board may contract with a private nonprofit*  
10    *accrediting agency to evaluate the qualifications of*  
11    *applicants for registration pursuant to this article and*  
12    *make recommendations to the board.*

13    2525.5. *A registration issued pursuant to this article*  
14    *may be denied, suspended, revoked, or otherwise*  
15    *subjected to discipline for any of the following:*

16    (a) *Incompetence, gross negligence, or repeated*  
17    *similar negligent acts performed by the registrant or any*  
18    *employee of the registrant.*

19    (b) *An act of dishonesty or fraud by the registrant or*  
20    *any employee of the registrant.*

21    (c) *The commission of any act or being convicted of a*  
22    *crime constitutes grounds for denial or revocation of*  
23    *licensure as a physician or surgeon or registered nurse in*  
24    *California.*

25    2525.7. (a) *Every registration issued to a nonresident*  
26    *telephone medical advice service shall expire 24 months*  
27    *after the initial date of issuance.*

28    (b) *To renew an unexpired registration, the registrant*  
29    *shall, before the time at which the license would*  
30    *otherwise expire, apply for renewal on a form prescribed*  
31    *by the board, and pay the renewal fee authorized by this*  
32    *article.*

33    2525.9. *The board may set fees for registration as a*  
34    *nonresident telephone medical advice service sufficient*  
35    *to pay the costs of administration of this article.*

36    2525.11. *The board may adopt, amend, or repeal any*  
37    *rules and regulations that are reasonably necessary to*  
38    *carry out this article.*

39    SEC. 2. *Section 1348.8 is added to the Health and*  
40    *Safety Code, to read:*

1348.8. (a) Every health care service plan that provides telephone medical advice services to its enrollees and subscribers shall require that the staff employed to provide the telephone medical advice services ~~shall hold a valid license pursuant to Division 2 (commencing with Section 2000) of the Business and Professions Code, and shall be supervised by a physician and surgeon licensed pursuant to the Medical Practice Act, Chapter 5 (commencing with Section 2000) of Division 2 of the Business and Professions Code.~~

~~SEC. 2.~~ *from a site located in California shall hold a valid license as a registered nurse pursuant to Chapter 6 (commencing with Section 2700) of Division 2 of the Business and Professions Code or shall be a physician and surgeon licensed to practice medicine in California. A physician and surgeon shall be available on an on-call basis at all times.*

(b) *Nothing in this article shall limit, preclude, or otherwise interfere with the practices of other persons licensed or otherwise authorized to practice under this division in telephone medical advice services consistent with the laws governing their respective scopes of practice.*

(c) *No health care service plan shall operate or contract with a nonresident telephone medical advice service that is not registered pursuant to Article 25 (commencing with Section 2525) of Chapter 5 of Division 2 of the Business and Professions Code.*

SEC. 3. Section 10279 is added to the Insurance Code, to read:

10279. (a) Every disability insurer that provides ~~coverage for hospital, medical, or surgical expenses that provides~~ group or individual, or both policies of disability insurance that provides a hospital, medical, or surgical benefit, that is issued, amended, delivered, or renewed on or after January 1, 2000, and that provides telephone medical advice services to its policyholders shall require that the staff employed to provide the telephone medical advice services ~~shall hold a valid license pursuant to Division 2 (commencing with Section 2000) of the~~

~~Business and Professions Code, and shall be supervised by a physician and surgeon licensed pursuant to the Medical Practice Act, Chapter 5 (commencing with Section 2000) of Division 2 of the Business and Professions Code.~~

~~SEC. 3.—~~*from a site located in California shall hold a valid license as a registered nurse pursuant to Chapter 6 (commencing with Section 2700) of Division 2 of the Business and Professions Code or shall be a physician and surgeon licensed to practice medicine in California. A physician and surgeon shall be available on an on-call basis at all times.*

*(b) Nothing in this chapter shall limit, preclude, or otherwise interfere with the practices of other persons licensed or otherwise authorized to practice under this division in telephone medical advice services consistent with the laws governing their respective scopes of practice.*

*(c) No disability insurer that provides group, individual, or both policies of disability insurance that provides hospital, medical, or surgical benefits shall operate or contract with a nonresident telephone medical advice service that is not registered pursuant to Article 25 (commencing with Section 2525) of Chapter 5 of Division 2 of the Business and Professions Code.*

*(e) This section shall not apply to vision-only, dental-only, accident-only, specified disease, hospital indemnity, Medicare supplement, long-term care, or disability income insurance.*

*SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.*

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